

~~SECRET~~

under name

25 YEAR RE-REVIEW

3 April 1962

MEMORANDUM FOR THE RECORD

SUBJECT: [redacted] Termination
 as of 1 April 1962 of TSD Contract [redacted]
 [redacted]

1. In the course of my meeting with Messrs. Houston and [redacted] on 27 March 1962 for the purpose of finishing the drafting of our report to the DCI on Intermittent Consultants and the President's new Conflicts of Interest memorandum, I asked Houston how he thought it would be best to handle the matter of getting the subject contract terminated. We had discussed this matter with Chief, TSD, in January of this year; the latter felt that it should be terminated because [redacted] now 71, has been devoting less and less time to TSD affairs (for facts, see Note, infra), hence it was no longer justifiable to continue to pay him [redacted]. Some time previously, Roosevelt had also discussed the termination with Messrs. Dulles and [redacted] both of whom expressed agreement, but preferred to put the termination off until later. Houston, [redacted] and I all felt that termination was in order: [redacted]

2. Mr. Houston at once telephoned in my presence to Mr. Roosevelt, Chief, TSD, and recommended that the [redacted] contract be terminated now and Roosevelt advise [redacted] that, as basis for such action, the new Presidential Memorandum made it advisable; specifically, that the 40% provision would otherwise prove to be an obstacle for [redacted] in his other dealings with the U.S. Government.

3. Mr. Roosevelt voiced agreement and asked whether 30 days' notice would have to be given. Houston inspected a copy of the contract (copy in our file under TSD) and found that, as extended, it expires by its terms on 1 April 1962 -- having been extended annually for some years -- hence that no notice of termination was required, that failure to extend will suffice. He so advised Roosevelt.

(See page 2)

~~SECRET~~

~~SECRET~~

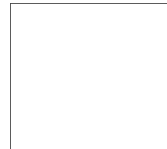
25X1

(NOTE: For background on this contract, see notes re [redacted]
in our memoranda of talks with TSD, viz., RDS, 26 Jan 62;
25X1 [redacted] 23 Jan 62; also, RDS memorandum dated
[redacted] Jan 62. Copy of Agency contract with [redacted]
approved by DCI, 25 Mar 54, is also in file. [This is
the current contract, as result of extension from year to
year.])

25X1

Copy has been filed in 1962 Survey
of Consultants and Conflicts of
Interest -- under TSD.

25X1



~~SECRET~~